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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/656,822	09/05/2003	Wolfgang Kopold	85ER-00143 (60709-29)	9422

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Patent Docket Department
Armstrong Teasdale LLP
One Metropolitan Square
Suite 2600
St. Louis, MO 63102-2740

EXAMINER

SHUMATE, PAUL W

ART UNIT	PAPER NUMBER
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3693

NOTIFICATION DATE	DELIVERY MODE
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05/13/2010

ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USpatents@armstrongteasdale.com

Office Action Summary	Application No. 10/656,822	Applicant(s) KOPOLD ET AL.	
	Examiner PAUL SHUMATE	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 29 January 2010.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-59 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-59 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims

1. This action is in reply to the communication filed on 01/29/2010.
2. Applicant's arguments filed 01/29/2010 have been considered but are moot in view of the new grounds for rejection. However, Applicant's arguments have also been addressed in the 35 USC 103 rejections below.

Claim Rejections - 35 USC § 112

3. Previous rejections under 35 U.S.C. 112 have been removed in view of Applicant's amendments to the claims.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claim(s) 1-59 rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan et al., U.S. Patent No.: 5,590,037, in view of Struppeck, T. (1999). Premium earning

Art Unit: 3693

patterns for multi-year policies with aggregate deductibles. Fall 1999 Forum (CAS) – reserving call papers, 359–392 (hereinafter Struppeck).

Ryan teaches a system and method for computing financial analysis, calculations, and projections of estimated book accruals, losses, cash flows, etc relating to the balance sheet for a business or corporation in accordance with reporting requirements established by the Financial Accounting Standards Board under Generally Accepted Accounting Principles which require the use of accrual accounting methods (see at least the abstract, column 1 lines 8-11, column 1 lines 31-39, column 3 lines 17-22, and column 7 lines 55-60).

More specifically, Ryan teaches:

- storing information in a database, wherein the information includes at least one of business information, insurance contract/policy information, and financial projection information, and wherein the information is related to at least one of premiums, commissions, insurance policies, contracts, accounting bookings, claims, accounts receivable data, accounts payable data, operating metrics, cash flow data, financial statements, capital structure, income statements, collateral data, guarantors, claims, accruals, losses, and other information relating to financial conditions and projections of at least one of a business, insurance policies, and other investments, assets, or liabilities which may be recorded in a general ledger for accounting purposes. (see at least column 1 lines 15-19, column 3 lines 39-50, column 5 lines 48-50, column 7 lines 63-65, column 11 lines 20-26, and column 11 lines 44-52)

Art Unit: 3693

- transmitting the information from the database to the accounting engines and calculating at the accounting engines financial projections such as estimated results and accruals insurance contracts in accordance with predetermined accounting principles; (see at least column 1 lines 15-19, column 1 lines 39-50, column 3 lines 17-22, column 4 lines 64-67, column 7 line 56 to column 8 line 4, column 8 lines 11-15, column 8 lines 48-54, column 11 lines 23-24, column 12 lines 16-19, column 12 line 42, column 13 lines 24-27 and claim 12)
- generating entries for recording in a general ledger based on the financial projections and estimated results and accruals and recording the entries in the general ledger of the insurer (see at least column 1 lines 39-50, column 3 lines 17-22, column 3 lines 45-48, and claim 12)

Regarding the inclusion of multiple accounting engines/processors, the Examiner would like to point out that Official Notice statement(s) were used in the office action mailed on 11/12/2009 to indicate that certain concept(s), technology(s) and/or methodology(s) are old and well known in the art. Per MPEP 2144.03(c), since applicant has not attempted to traverse such Official Notice statement(s), Examiner is taking the asserted common knowledge and/or well-known statement to be admitted prior art.

As Applicant pointed out in the recent response to arguments, one specific limitation Ryan fails to explicitly teach is “calculating premium earning patterns, loss

Art Unit: 3693

patterns, and associated accruals” and further fails to teach that “the premium earning patterns include an estimated premium income amount, a reinstatement premium amount, and a reinstatement outstanding premium amount.”

However, according to Applicant’s specification, future premium earning patterns are substantially earning of Estimated Premium Income (EPI). Accordingly, the examiner believes Ryan’s teachings of calculating projected annual premiums, targeted cash value, targeted cash flows, and earnings rate, and recording appropriate and related values in a ledger using accrual accounting principles to teach or at least strongly suggest the present limitations of calculating premium earning patterns, loss patterns, and associated accruals. Regardless, Struppeck teaches the importance of incorporating premium earning patterns in accrual accounting methods for insurance contracts and companies and especially when considering multi-year policies with aggregate deductibles (see at least page(s) 1, 4, 5, 12, 13). Struppeck teaches that early experiences in a multi-year contract end up affecting the expected losses that occur later in the contract, and how this in turn should affect premium reserving and earning patterns (see at least page(s) 5). Struppeck further teaches specific examples which consider and determine patterns such as premium income patterns and use such considerations in more accurate calculations and analysis regarding accrual accounting methods for insurance companies (see at least page(s) 18-26). It would have been obvious to incorporate the teachings of Struppeck regarding the consideration of patterns such as premium income pattern in the accrual accounting processes related to insurance contracts and companies with the teachings of Ryan to include calculating

Art Unit: 3693

premium income and loss patterns as well as associated accruals when performing accrual accounting methods to generate accounting ledger entries for insurance companies and their policy contracts for the benefit of improving related accrual accounting calculations resulting in more realistic projected accruals by including considerations and calculations of premium income (earning) patterns and costs/loss patterns (see at least page(s) 3, 4, 5, 15, 18, 24, 25, 26).

Ryan further teaches reconciling book calculations information (see at least column 21 lines 31-34) and that calculating financial projections and accruals regarding life insurance policies includes receiving and using data, statistics, calculations, and estimations from underwriters and actuarials (see at least column 3 lines 18-19, column 7 lines 44-45, column 12 lines 14-19, and column 11 lines 42-49).

6. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

7. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Art Unit: 3693

Any inquiry concerning this communication or earlier communications from the examiner should be directed to PAUL SHUMATE whose telephone number is (571)270-1830. The examiner can normally be reached on M-F 9:00 AM - 5:00 PM, EST alt Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Name: Paul W. Shumate
Title: Patent Examiner
Date: 5/2/2010
Signature: /Paul Shumate/
Examiner, Art Unit 3693

/James A. Kramer/
Supervisory Patent Examiner, Art Unit 3693